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DCI BRIEFING NOTES

Status of NATO

- I. The next six months are generally regarded as a period of preparation for the apparently inevitable showdown in the Alliance over the related questions of (1) De Gaulle's apparent determination to achieve a major recasting of NATO and (2) the organization, control, and use of the West's nuclear forces.
 - A. The lull of the last few weeks in French threats against the Alliance is unlikely at best to last much beyond the French presidential elections of next December.
 - B. Secretary McNamara's proposal of last May for a "select nuclear committee" has yet to win French endorsement; Paris almost certainly will remain opposed to any blend of the MLF and ANF proposals--if, indeed, such a blend can be found.
- II. Discussions of the McNamara suggestion are presently underway and it is unclear who will participate and how they will evolve.
 - A. As presently envisaged, a small committee of defense ministers would consider means of increasing Allied participation in nuclear planning and improved machinery

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for consultation, especially better communications.

- B. So far the French have not indicated whether they will participate in such a committee, will participate with the idea of sabotaging it, or will actively attempt to prevent its establishment.
- C. Although the US hopes the committee will make an important contribution to our long-standing effort to give our Allies a sense of increased sharing in the nuclear matters, there are also potential disadvantages:
- (1) some disposition to regard the committee as a step towards the French idea of an Alliance directorate;
 - (2) a contrary disposition to insist on increasing the size of the committee to the point of ineffectiveness;
 - (3) a desire to extend unacceptably the committee's terms of reference--e.g., to consider some Allied control over SAC,
 - (4) a tendency to regard the committee as a substitute for the ANF/MLF.

III. The six-nation working group on the ANF/MLF appears recently to have made some progress towards a consensus

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on what an Allied nuclear force might look like, but there are still many problems.

- A. The "working assumption" of the group is now an initial Allied force consisting of 64 strategic bombers, 4 Polaris-type submarines, and 20 surface ships.
 - B. The British have recently agreed that such a force could be assigned to SACEUR--a concession which has evoked a favorable response from other members of the working party.
 - C. Nevertheless there is a long list of key issues still to be faced--among them:
 - (1) mixed-manning of the UK contribution of subs;
 - (2) common funding of these subs;
 - (3) a UK contribution of manpower to the surface fleet;
 - (4) UK desire for a US national contribution of subs or missiles to the force;
 - (5) the voting system for release of the missiles.
- IV. An agreement--if it is reached--to move forward with some kind of an ANF/MLF seems likely to trigger the "crisis"

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in the Alliance which, in any case, De Gaulle has been busily setting the stage for.

- A. De Gaulle's stated views regarding the future of the Alliance are now well-known--he believes that NATO has outlived its usefulness because the threat has diminished, and he thinks Europe's resurgence has made US preeminence in the Alliance unreasonable.
- B. It is still far from clear, however, what alternatives he would propose.
- (1) He has most frequently referred to the possibility of some kind of "independent" European defense system, but it is far from certain that he is willing to make the concessions of French independence to bring it about.
- (2) More recently he has seemed to have in mind replacing the North Atlantic Treaty with a series of bilateral accords--but what these accords would cover and which countries would be willing to agree to them is also unclear.
- C. In short, while nearly all agree that De Gaulle is determined at minimum to achieve a major remolding of the Alliance, what room for bargaining there may still be in his position is open to question--as is his reaction in the event his ideas are rejected.

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DCI BRIEFING NOTES

EEC Crisis

- I. The failure of negotiations on 30 June on how to finance the Common Market's agricultural policy has now evolved into a test of strength between France on the one hand and the other five EEC countries and the EEC Commission on the other.
 1. The immediate questions are technical and economic, but the underlying issue is De Gaulle's commitment to a "Europe of states" and his opposition to a federal organization of Europe with a strong European Parliament.
 2. The crisis has arisen now because of De Gaulle's decision to force a confrontation over proposals of the EEC Commission. These attempted to extract concessions from the French on strengthening the European Parliament's powers to supervise community revenues in return for an early completion of the common agricultural policy (CAP) which largely serves French interests.
 - II. In the face of opposition from the other five to France's insistence on postponing the larger issues and deciding only on a scheme for financing agriculture during a
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- now following a policy intended to put the EEC in an

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indefinite "deep freeze".

1. The French have effectively blocked the community decision-making machinery but at the same time have made it clear they do not intend to withdraw from the Common Market.
2. French strategy thus seems intended to force the other members to accept the French position, and by making them deal directly with Paris, to cripple the community institutions.

III. The other five and the Commission still seem uncertain what to do.

1. New Commission proposals have been drawn up, but it is not yet known if they will represent concessions to the French viewpoint or further isolate France.
2. Dutch officials claim The Hague will stand firm;
3. In Brussels and Luxembourg there is a modd of compromise, but the positions of both countries would still seem to constitute problems for France.
4. The Italians have shown no willingness to give in to French demands.
5. The Germans reportedly intend to confront the French with quiet determination, but their position contains elements of equivocation on the parliamentary question.

IV. Should Paris succeed in gaining the acquiescence of the

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progress within the EEC, the damage to the community could be great.

1. The others would have lost almost all the pressure they can exert on France to satisfy their own interests, among which figures largely the success of the Kennedy Round.
2. Because of the harm done to the role of the Commission, the future evolution of the community along democratic, federal lines could possibly be irreparable.
3. The blocking of any prospects for an effective European community based on integration of the Six would in turn have repercussions on planning for the subsequent development of NATO and the Atlantic partnership.

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